GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2826
ANSWERED ON:22.08.2006
SALE OF LAND
Chakraborty Shri Ajay

Will the Minister of TEXTILES be pleased to state:

(a) Whether the land belonging to some of the Textile Mills under the National Textile Corporation (NTC) was recently sold;

(b) If so, the details thereof alongwith the price realized therefrom;

(c) The purpose for which this money is likely to be utilised;

(d) Whether there is an allegation that these lands were sold at less than the market value;

(e) If so, the details thereof; and

(f) The method used for valuation of the land?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) & (b) Yes, Sir. National Textile Corporation (NTC) has sold the lands of following mills from 1st January, 2006 to 28th July, 2006 :

Name of the Mill	Area (in acres)	Price (in Rs. Crores)
1.Mysore Mills, Bangalore (Bunglow)	1.88	37.01
2. Natraj Mills, Nirmal	59.00	1.98
3.Vidarbha Mills, Achalpur	1.81	0.75
4.RSRG Mills, Akola	1.27	0.41
5.Model Mills, Nagpur	1.49	6.32
6.Akola Mills, Mumbai (bunglow)	1.28	170.01
7Nanded Mills, Nanded	91.42	33.33
8.Rajkot Tex. Mills, Rajkot	8.72	18.20

(c) The money realized from sale proceeds of these lands is being utilised as per the directions already laid down by the Board for Industrial and Financial Reconstruction (BIFR), i.e. revival/modernization of viable mills, repayment of bonds, settlement of claims of secured creditors and payment to workers under Modified Voluntary Retirement Scheme (MVRS).

(d) No, Sir.

(e) Does not arise.

(f) For valuation, three methods are considered, i.e.
(i) valuation at the time of approval of Draft Rehabilitation Scheme

(ii) Private valuer's present valuation and

(iii) Current Circle rate. The highest of these values is fixed as the Reserve Price of the respective land.